

Questions and Answers: WIA Overview for Virginia

This information is provided as a public service by the Virginia Employment Commission. It represents the Commission's best effort to provide useful information in a timely manner. VEC will update this material as often as necessary to address Virginia's experience with WIA.

These questions and answers are not official policy, and as policies are released, any official policy will automatically take precedence over this guidance. Any changes to these answers or new questions will be highlighted in red and/or dated.

If you have any questions regarding the application of a question or answer to your particular circumstances, please contact the Virginia Employment Commission, WIA Unit, at 804-786-2171.

This Q & A was prepared for information and training sessions held throughout Virginia for Chief Local Elected Officials from March 9th – March 16th, 2000.

INTRODUCTION

Depending upon your level of interest and responsibility in your local area for implementing WIA, the first thing you may want to do is to read pertinent parts of the Workforce Investment Act of 1998. It is easily accessible on the Internet at <http://usworkforce.org/wia/asp/act.asp> in a variety of formats: a full text or a "plain English" version, a summary, a slide show, and a side-by-side comparison to JTPA. Don't be overwhelmed by the size of the bill! Concentrate on Title One, Subtitle A, which gives Definitions, and Subtitle B, which describes Statewide and Local Workforce Investment Systems to find specific information on One-Stop Delivery Systems.

Many questions that people ask have to do with what will be required by the Federal government, what will be required by the State of Virginia, and what will be up to the Local Boards to decide. As you read the law, look carefully at the words "shall" and "may". If it says, for example, "the Governor shall..." that is typically synonymous with required. The word "may" denotes areas of flexibility.

Another excellent resource is the Department of Labor's Interim Final Rule, which aims to clarify the law through an easy to read question and answer format. Go to <http://usworkforce.org/wia/asp/finalregs.asp>

For the State of Virginia's draft and completed policy statements, go to the VEC website at <http://www.vec.state.va.us/wia.htm> .

CHIEF ELECTED OFFICIALS (CLEOS)

Q. Who is a CLEO?

A. CLEO stands for "Chief Local Elected Official", which, for the purpose of WIA in Virginia, are chairpersons of local boards of supervisors and mayors of city councils. CLEO can also refer to a consortium of CLEOs. CLEO can also refer to the CLEO that has been selected by the consortium to serve as chair of that consortium.

Keep in mind, CLEO always corresponds to the elected official in his/her official capacity, not the individual.

Q. What is the difference between a LEO and a CLEO?

A. For the purpose of WIA, a LEO (local elected official) is an individual who has been chosen in a public election to represent his/her constituency as a member of a local governing body. A CLEO (chief elected official) is the individual then chosen as chairperson or mayor to represent that particular body of elected officials.

FUNDING

Q. Are funds available for the designated workforce areas to begin organizing for implementation of the Workforce Investment Act (WIA) in Virginia?

A. Yes. Each local workforce area designated by the Governor will receive a proportion of "transition" funds.

Q. Who will actually receive the "transition" funding for the workforce investment area?

A. The "grant recipient" agreed to by a consortium of local governments or the Chief Local Elected Official (CLEO), in the case of a single local government, will receive the funds from the State.

Q. How much “transition” funding will be available to my workforce area?

A. The State has not yet decided on a formula for distributing the transition funds to local workforce areas. It is expected that a decision will be made soon and a notice of obligation provided shortly thereafter.

Q. What can “transition” funding be used for?

A. Transition funding can be used for transition planning.

Q. How will WIA funds flow to the local workforce areas for customer use?

To ensure strict accountability, funds will flow from the State to the agreed upon local government serving as grant recipient. Depending on local operational designs, WIA Title I funds could then be passed to the designated fiscal agent. In this case, the fiscal agent is expected to distribute WIA funding throughout the local system at the direction of the Local Workforce Board, but in accordance with WIA and other fund distribution requirements. WIA funding could be distributed to “system” partners, including but not limited to, one-stop operators, one-stop centers, training providers that receive individual training account (ITA) funds, and contractors serving youth and special hard-to-employ target groups.

Q. How will WIA Title I funding be allocated to the local workforce areas?

A. WIA Title I funds will be allocated to local workforce investment areas by formula. At least seventy percent of the local funds will be allocated by federal formula, which is based on 1/3 unemployment, 1/3 excess unemployment, and 1/3 poverty. The Governor can distribute up to 30% of the local adult and youth funding by an alternative formula, which uses poverty and/or unemployment as variables. The Virginia Workforce Council is currently considering using an alternative formula for 30% of the adult and youth funding.

GOVERNANCE

Q. Does the WIA require a Policy Board?

A. The term “Policy Board” represents a JTPA elected official board. WIA does not require a policy board, however, there are many “partnership” functions that CLEOs are required to perform that strongly suggest the need for a “consortium” body, i.e., a CLEO entity, that can collectively make on-going decisions on WIA related issues. The consortium of CLEOs are responsible for several key functions, including, but not limited to WIB appointments, WIB budget approval, strategic plan, approval of one-stop operators, and similar partnership activities.

Q. Must CLEOs be represented on the Local Workforce Board (WIB)?

A. No. CLEOs are not required to be members of the local workforce boards (LWIB), although the local government that is the grant recipient should be represented on the board. CLEOs can be member(s) of the LWIB, but the private sector majority and all other LWIB membership requirements must still be met.

Q. Once the CLEOs appoint the local WIB, can the CLEOs become less involved in the WIA system?

A. No. The WIA expects the CLEOs to remain active in the various partnership and oversight roles indicated in the Law. The CLEO remains accountable for the funds, no matter what organizational structure is used to distribute and monitor the funds.

Q. If the local WIB does not provide services and/or training, what is its key role?

A. The Workforce Investment Act (WIA) requires a waiver by the Governor for the LWIB to provide services and/or training. Congressional intent directs that the LWIB should only be involved in direct service delivery and training as a last resort, where there is ample evidence that a locality has no other viable, customer convenient options. In Virginia, the Virginia Workforce Council views the role of the LWIB as providing local vision, policy, and oversight in partnership with the CLEOs.

Q. Does the number of Youth Council members increase the number of private sector representatives required on the local workforce board?

A. No. Youth Council membership requirements are separate from the Local Workforce Board (LWIB) membership requirements.

Q. Are PIC members automatically eligible for serving on the WIB and can they be “grandfathered”?

A. No, PIC members are not automatically “eligible” to serve on the WIB and Virginia has decided that no PICs will be “grandfathered”. However, members of the PIC can be nominated through the WIB appointment process and the CLEOs determine who will ultimately comprise the local WIB.

SUMMER YOUTH **ACTIVITY**

Q. Will local workforce areas be able to operate a summer youth program this summer?

A. Yes, but this is a local call that has to consider the requirements for a year-round youth program, in addition to, the summer youth **activity**. WIA establishes requirements for a year-round youth program consisting of ten elements and a minimum of 30% out of school youth service requirement out of the local workforce area's youth funding.

Virginia has submitted an "abbreviated" youth plan to the Department of Labor (DOL) to position Virginia to have access to up to 25% of the State's WIA youth funding for Summer Youth Activities during the period April 1-June 30, 2000. Subsequent funding for the remainder of the summer will be available based on the unified State Plan submitted to the DOL by April 1, 2000. It is important that local plans are developed and are incorporated into the State plan to indicate the planned use of funding at the local level. **See Q & A: Youth Transition to WIA**

Q. Can a local workforce area decide to operate a summer youth program and not provide other year-round activities?

A. No. The WIA requires a year round youth program including summer youth as one youth activity.

PLAN DEVELOPMENT

Q. How will the local planning process work for implementation?

A. Since the State is under such a tight time line for submitting the WIA State Plan by April 1, 2000, it is expected that the State plan and local plans will be developed simultaneously, with anticipated revisions to the initial State Plan that incorporates the necessary elements of local plans. (Since this is not the preferred approach, it is expected that the local planning process will be completed ahead of the state process in future submissions.) The initial local plans will still meet all requirements of the WIA and be submitted for approved by the Virginia Workforce Council.

JTPA AND WIA PARTICIPATION

Q. What will happen to JTPA participants currently enrolled in activities when WIA starts on July 1, 2000?

A. Customers who are involved in JTPA services on June 30, 2000, will continue to receive services according to their individual service plan. If JTPA customers have begun training, the training will be completed according to JTPA requirements. If customers have completed assessment only, they could be given further assessment, as necessary, and services will be provided under the requirements of WIA. The customers should not notice the change from JTPA to WIA. [See Q & A: Transition to WIA](#)

Q. Will the hard to employ in my area receive necessary services under WIA?

A. Yes. WIA's one-stop center system will provide universal services. WIA requires that in cases where funding is limited, training funds will be available to train the hardest to employ as a priority group. Further, WIA expects workforce training and employment "partner" agencies, such as local Departments of Social Services (TANF, Welfare to Work, Food Stamps), adult education & literacy programs, Departments of Rehabilitative Services, Community Services Block grant programs, training programs under HUD, local Area Agencies on Aging, and other similar programs to fully participate in the one-stop system. By coordinating local resources, it is expected that the hard to employ target groups will benefit tremendously.

Q. Will incumbent workers be provided workforce services in my workforce area?

A. Yes. Since the WIA one-stop center system is a universally accessible system, core services are available to all citizens, including incumbent workers. In addition, depending on the availability of funds and other resources in the system, strategic "targeting" of resources will allow for greater services to this audience. In Virginia, economic development concerns are drivers for workforce development and include employer concerns relating to incumbent workers. Also, with Virginia's recent success with welfare reform, a significant number of incumbent workers fresh from welfare roles will benefit by participating in incumbent worker [training](#).

TRAINING & TECHNICAL ASSISTANCE

Q. Has the State made provisions for assisting workforce areas with the implementation of the Workforce Investment Act (WIA)?

A. The State recognizes the need to provide implementation and on-going information, technical assistance, training and other support to the local workforce areas. This need will be met through a diversity of approaches, including assistance from State staff, DOL and other public and private sector approaches. The local workforce areas should be instrumental in determining what the needs are and how they might be satisfied.

FISCAL AGENT

Q. What agencies are allowed to be fiscal agents?

A. The fiscal agent is determined at the local workforce area, generally by agreement of the CLEOs or, on agreement, by the local government that is grant recipient. The fiscal agent is expected to be an entity that can discharge its fiscal responsibilities to the satisfaction of the CLEOs in meeting the requirements of WIA, generally acceptable accounting principles, requirements of appropriate OMB circulars and that minimizes the issues of liability through sound business practices. In addition, caution should be used in considering fiscal agents that are also providers of services or training to avoid any perception of conflict of interest.

Q. When can a fiscal agent be changed?

A. The decision as to when a fiscal agent can be changed is a local decision. This issue should be addressed in the Consortium Agreement or Consortium MOU, etc. In the absence of an emergency situation, it is advisable to change fiscal agents at a pre-determined breaking point where an audit would be performed, the accounts closed, and new systems established.

Q. Can a fiscal agent be designated before a consortium agreement is endorsed?

A. Yes, it is possible. However, such an approach defies the logic of the Consortium agreement as the basis on which the decision is made. In any case where the fiscal agent is identified ahead of the Consortium Agreement, it would appear that there would be, at a minimum, an informal agreement where the CLEOs have considered the issue and agreed on the designation, but have yet to endorse a written consortium agreement.

THE LOCAL ONE-STOP DELIVERY SYSTEM

Q. How many one-stop centers should each local workforce area have?

A. WIA requires that there be “not less than one physical center in each local area.” However, each Local Board should be aware that there could be a wide variety of one-stop arrangements developed to meet local need. The number of centers will be a local decision, based on partnership agreements, resources, need and local commitment.

Q. Who can be the one-stop operator?

A. The one-stop operator can be a single entity or a consortium of entities. It can be one of the mandated partners or it can be an entity that is not a required partner. It can be just about any agency or organization, either for profit or not-for-profit, which meets the criteria set up by the Local Board.

Who cannot be a one-stop operator: it cannot be an elementary or a secondary school. It can, however, be a non-traditional public secondary school or an area vocational education school. In Virginia, as in several other States, it cannot be the Local Board or staff to the Local Board, **unless with approval by the CLEO and the Governor.**

Q. Wouldn't it be a conflict of interest for the community college or a vocational school to be both the one-stop operator and a training provider?

A. WIA does not recognize a conflict of interest in the law, as it clearly states that a postsecondary educational institution or an area vocational education school shall be eligible to be a one-stop operator. However, customer choice is a key tenet of WIA, and the one-stop operator must provide training services in such a way that customer choice is maximized by full and easy access to a State list of eligible training providers and their performance and cost information.

Q. What exactly is the role of the one-stop operator?

A. The operators are responsible for administering the one-stop centers and their role may range from simply coordinating service providers in the center to being the primary provider of services at the center. That role is determined by the Local Board and would be clearly specified in a contract or MOU.

Q. What does it mean to “certify” a one-stop operator? Do we have to do a competitive process to certify a one-stop operator?

A. “Certify” and “designate” are used interchangeably in the law. With guidance from the State, the Local Board decides what process it will use to designate or certify the one-stop operator(s). It is not required that there be a competitive process. The one-stop operator could be identified by the Local Board through an agreement with a consortium of at least three required partners or through a

competitive process. Whichever process is used, it must be conducted in a public manner.

Q. How will these centers be funded? Will there be enough money in WIA to start up a one-stop center and provide training?

A. Funds allocated to local areas for adults and for dislocated workers under WIA “shall be used to contribute proportionately to the costs of one-stop delivery system” and to pay for training. The more resources or core service provision that the Local Board can negotiate from required or optional partners, the more will be available for training under WIA. Also, remember that WIA training dollars can be used only after other sources of grant assistance such as Federal Pell Grants are used to fund training.

Once the delivery system has been set up and funded, if local allocations are limited, the law states “priority shall be given to recipients of public assistance and other low-income individuals.” Reason dictates that if TANF, welfare-to-work or rehabilitation dollars can be accessed first for training of those on public assistance, then WIA funds can be used for other low-income individuals or incumbent workers that are prioritized by the Local Boards and by the Governor.

Remember, that although dislocated worker funds must contribute to the one-stop delivery system, they must be used specifically to assist dislocated workers. Therefore, dislocated worker services must be fully available at the **comprehensive** one-stop center.

Q. Will Local Boards and/or their staff be allowed to be the one-stop operator?

A. Although Federal law allows the option of letting Local Boards operate a one-stop with the permission of the CLEO and the Governor, the Virginia Workforce Council has indicated a preference not to allow Local Boards, or their staffs, to operate one-stops centers. **The Virginia Workforce Council will decide this issue to create a policy for Virginia.**

Q. How do we determine how much required partner agencies must contribute as “their fair share” of the operating costs of the system? What if a required partner does not want to contribute to the one-stop center?

A. There is no set amount that a required partner must contribute, but each required partner must contribute its “fair share”. The Interim Final Rule talks about “proportional responsibility.” Fair share and proportional responsibility are based on the benefit derived to the partner agency and its customer base. The provision of and financing for applicable core services is to be proportionate to the use of those core services at the center by customers attributable to the

partners' programs. The specific method for determining proportional responsibility must be described in the MOU.

The Interim Final Rule emphasizes that it is a legal obligation for the partners and the Local Board to engage in good faith negotiation and reach agreement on the MOU. Parties that fail to execute an MOU may not be permitted to serve on the Local Board. Also, the local area would not be eligible for State incentive grants awarded for local coordination.

Q. What must be provided in a one-stop center?

A. All core services listed in the Federal law must be provided through a one-stop delivery system. Access to intensive services and to training services must also be provided. Local Boards can choose to have intensive services delivered directly by the one-stop operator or they can approve contracts to other service providers. There is some flexibility as to which intensive services and which training services a Local Board may want to include.

Q. Can non-mandated partners be part of the one-stop center?

A. Any agency, organization, group or entity that can contribute to workforce development should be encouraged to be a partner in your local effort. The Local Board and the CLEO can approve such participation.